

**City Council Land Use and Economic Development Work Group**  
**ACVA Statement**  
**October 22, 2009**

My name is Stephanie Brown. I am the President & CEO of the Alexandria Convention and Visitors Association.

Thank you for the opportunity to present a tourism perspective on economic development priorities for Alexandria.

On September 24, we were pleased to announce that visitor spending in Alexandria during 2008 totaled \$645 million – the fourth largest increase in the Commonwealth at more than 10 percent. Visitor spending supported more than 6,000 jobs and generated almost \$22 million in City taxes – up 11 percent from 2007. It is worth noting that visitor spending DECLINED for about half of the localities in Virginia.

We can all share in that success thanks to the vision of Mayor Euille and members of City Council for investing in strategies to attract and welcome visitors from National Harbor, and supporting enhanced marketing initiatives to target visitors from across the region and around the world.

Private industry has invested in Alexandria's tourism economy too.

The Alexandria-National Harbor water taxi carried 100,000 passengers from our new neighbor across the river. And, Alexandria's hoteliers have invested more than \$388 million in new construction and renovation in recent years, growing the supply of hotel rooms to 4,500 citywide – generating \$165 million in room sales in the last 12 months.

The Board of Governors of the ACVA asks you to consider economic development priorities that will sustain and grow tourism in Alexandria, with a particular focus on generating more revenue per visitor.

Several short-term initiatives will enhance the appeal of visiting Alexandria. In particular, we support:

- Tree lights on King Street from the river to the rails. The lights create continuity for the business district, distinguish Alexandria from other historic downtowns, and add to the charm that underscores our brand.
- As soon as economically feasible, enhance the Trolley schedule to 10-minute headways and extend the hours of operation. The lodging tax increase associated with the Trolley expense generated \$1.5 million in additional revenue in FY 09. The Trolley is an effective marketing asset and valued visitor amenity.
- Maintain visible security in areas popular with tourists.
- Optimize marina operations to maintain transient boating, recognizing the significant spending of visitors who arrive by boat. At the completion of the waterfront plan, implement the marina recommendations as quickly as possible.
- Solve parking. A short-term improvement would be replacing the current meters with electronic payment technology, perhaps financed through a revenue-share with the manufacturer.

- Fund the implementation of the wayfinding program.

Long-term sustainability of tourism in Alexandria will depend upon the development of demand generators that will attract leisure and business visitors to support overnight hotel stays and generate more spending per visitor.

Spending in Alexandria averaged \$794 per visitor compared to \$1057 in Northern Virginia.

In 2005, occupancy was 75%. It was 70% in 2008 and 67% so far in 2009. The number of visitors to the city is up, and citywide revenue is up, but we are not keeping pace with increasing the number of visitors proportionately to the increasing number of hotel rooms.

The Economic Sustainability Work Group identified hotel development as a profitable land use, and we suspect that Alexandria will continue to attract new hotels.

The TOURISM INFRASTRUCTURE STUDY in AEDP's work plan will carefully identify the smartest investments for supporting hotel revenue growth, that will in turn support retail and meals revenue.

Several long-term priorities for tourism development are apparent.

In accordance with the King Street Retail study, Alexandria should attract carefully selected retail brands that appeal to Alexandria's residents and visitors.

These national brands will introduce longer hours of operation and significant marketing resources that will help support the independent retailers that are so critical to our brand, and our identity as a community.

The waterfront plan is critical to tourism's future. (I am providing a copy of ACVA position letter on the waterfront with these comments)